these mills have come to their notice. Whenever, instances of violation of any labour law have been reported, appropriate action is being taken under respective law.

Formation of a Dispute Settlement Panel at the Behest of USA

*344. SHRI SAIFULLA: Will the Minister of COMMERCE be pleased to state:

(a) whether India agreed to the formation of a Dispute Settlement Panel on the request of the U.S. to the World Trade Watch Dogs' Dispute settlement Body;

(b) if so, the steps Government propose to take in regard to protecting pharmaceutical and agricultural chemical product patent; and

(c) the details of the policy of the Government vis-a-vis introduction of Patents Amendment Bill, 1996 to resolve Indo-US disputes in regard to the Patents Law?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH): (a) In pursuance of the provisions of Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (DSU) of the World Trade Organisation (WTO) and Article 64 of the Agreement on Trade Related Aspects of intellectual Property Rights (TRIPs Agreement), on 2 July 1996, the Government of the United States of America had sought consultations with India alleging the absence in India of either patent protection or formal systems that permit the filling of patent applications for pharmaceutical and agricultural chemical products and that permit the grant of exclusive marketing rights in such products. The consultations were held on 27 July 1996.

The DSU provides that the complaining party may request the Dispute Settlement Body (DSB) of the WTO to establish a panel to examine the matter referred to it in the light of the relevant provisions of the WTO Agreements if the consultations fail to settle the dispute within sixty days after the date of receipt of the request for consultations. It also provides that a panel shall be established at the latest at the DSB meeting following that at which the request first appears as an item on the DSB's agenda, unless at the meeting the DSB decides by consensus not to establish a panel. In pursuance of the these provisions, on 7 November 1996 the USA requested the establishment of a panel to examine this dispute. The DSB, at its meeting held on 20 November 1996 considered this request and decided to establish a panel.

(b) and (c) As a signatory to the Agreement Establishing the WTO (WTO Agreement), of which the TRIPs Agreement is an integral part, India has certain obligations. Apart from the transitional obligations which came into effect from 1 January 1995, India has till 1 January 2000 to implement its obligations under the TRIPs agreement and till 1 January 2005 to introduce product patents in the areas of technology not protected so far. Under Section 5 of the Indian Patents Act 1970, only process patents are granted in the case of inventions which relate to food, medicines or drugs, and also in the case of substances prepared or produced by chemical processes. No patent for the product is granted in case of these inventions. Government of India is in the process of holding consultations regarding the content and modalities of the required amendment of the Indian Patents Act 1970.

Financial aid for development of tea industry

*346. DR. D. VENKATESHWAR RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether the World Bank has assessed the final fund requirement for the development of tea industry in the country;